



StarHub 1Q2011 Results

4 May 2011



Forward-looking Statements

The following presentation may contain forward-looking statements by StarHub Ltd (“StarHub”) relating to financial trends for future periods.

Some of the statements in this presentation which are not historical facts are statements of future expectations with respect to the financial conditions, results of operations and businesses, and related plans and objectives. These forward-looking statements are based on StarHub’s current views, intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors, many of which are outside StarHub’s control. Important factors that could cause actual results to differ materially from the expectations expressed or implied in the forward-looking statements include known and unknown risks and uncertainties. Because actual results could differ materially from StarHub’s current views, intentions, plans, expectations, assumptions and beliefs about the future, such forward-looking statements are not and should not be construed as a representation, forecast or projection of future performance of StarHub. It should be noted that the actual performance of StarHub may vary significantly from such statements.

Management Team



TAN Tong Hai
COO



Neil MONTEFIORE
CEO

1Q2011 Highlights

Financial Overview

Business Highlights

FY2011 Outlook



1Q2011 Highlights

Financial Overview

Business Highlights

FY2011 Outlook

1Q2011 Highlights

Financial Overview

Business Highlights

FY2011 Outlook

➤ Overview (1Q-2011 vs 1Q-2010)

➤ Financial:

- Operating revenue stable
- Service revenue improved 1%
- EBITDA margin at 30.1%

➤ Operational:








- Mobile growth:
 - ✓ Total revenue 3%
 - ✓ Total customer base 9%
- Pay TV business stable
- Broadband customer base increased 4%
- Fixed Network Services revenue grew 5%

Key Financial Highlights

S\$ million	1Q-2011	1Q-2010	Change
Operating Revenue	558	557	0%
Service Revenue	531	527	1%
EBITDA	160	118	35%
EBITDA Margin	30.1%	22.5%	7.6% pts
Taxation	(17)	(10)	-70%
Net Profit After Tax	69	43	62%
Capex Cash Payments	41	49	15%
% of Capex to Revenue	7	9	1.3% pts
FCF / Fully Diluted Share	7.7¢	7.0¢	10%
Net Debt to annualised EBITDA ratio	0.70x	0.91x	0.21x

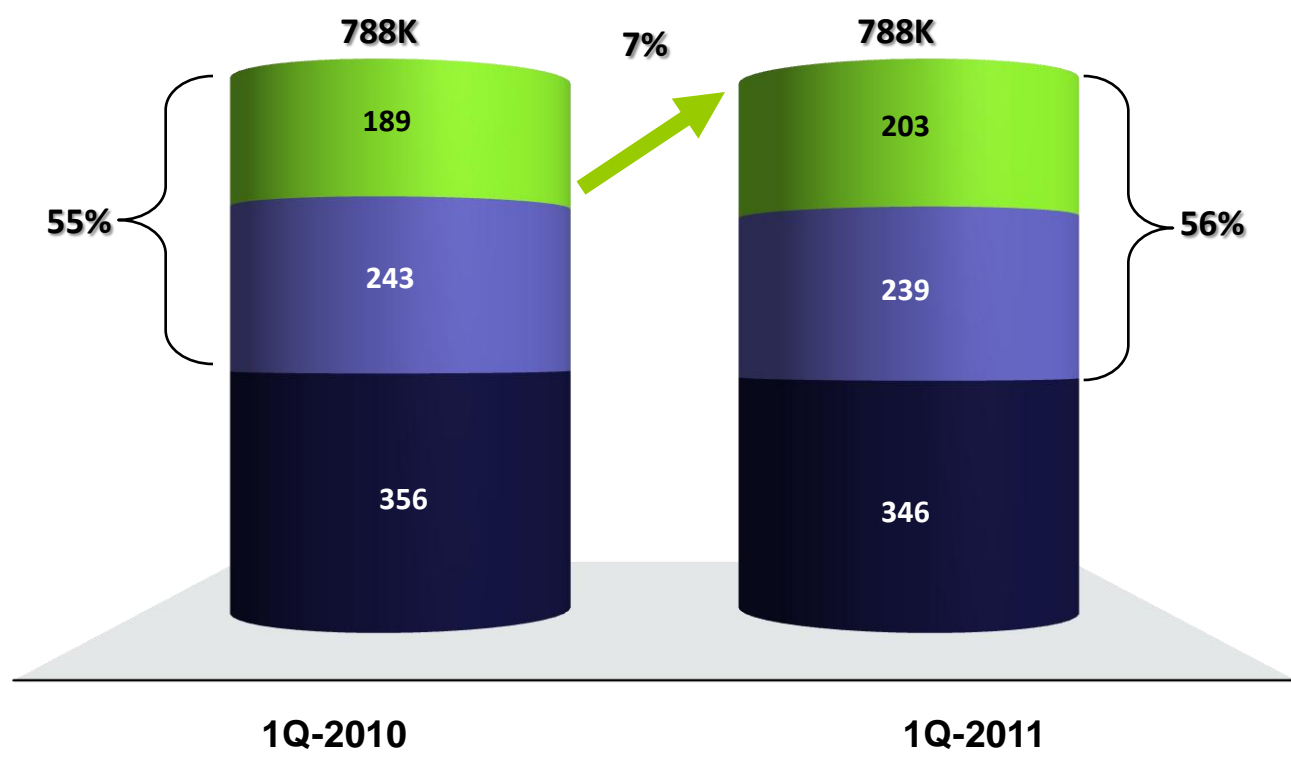
Note: Numbers may not add up due to rounding.

Business Expansion (1Q-2011 vs 1Q-2010)

Line of Business	Service Revenue	Customer Base
Mobile (53% of revenue mix)	 3% Pre-paid (-3%) Post-paid (5%)	 9% Pre-paid (10%) Post-paid (7%)
Pay TV (16% of revenue mix)	 (10)%	 0%
Cable Broadband (11% of revenue mix)	 1%	 4%
Fixed Network Services (15% of revenue mix)	 5% Data & Internet (3%) Voice (15%)	

Hubbing Scorecard

Expanding Hubbing Households ('000)





1Q2011 Highlights

Financial Overview

Business Highlights

FY2011 Outlook

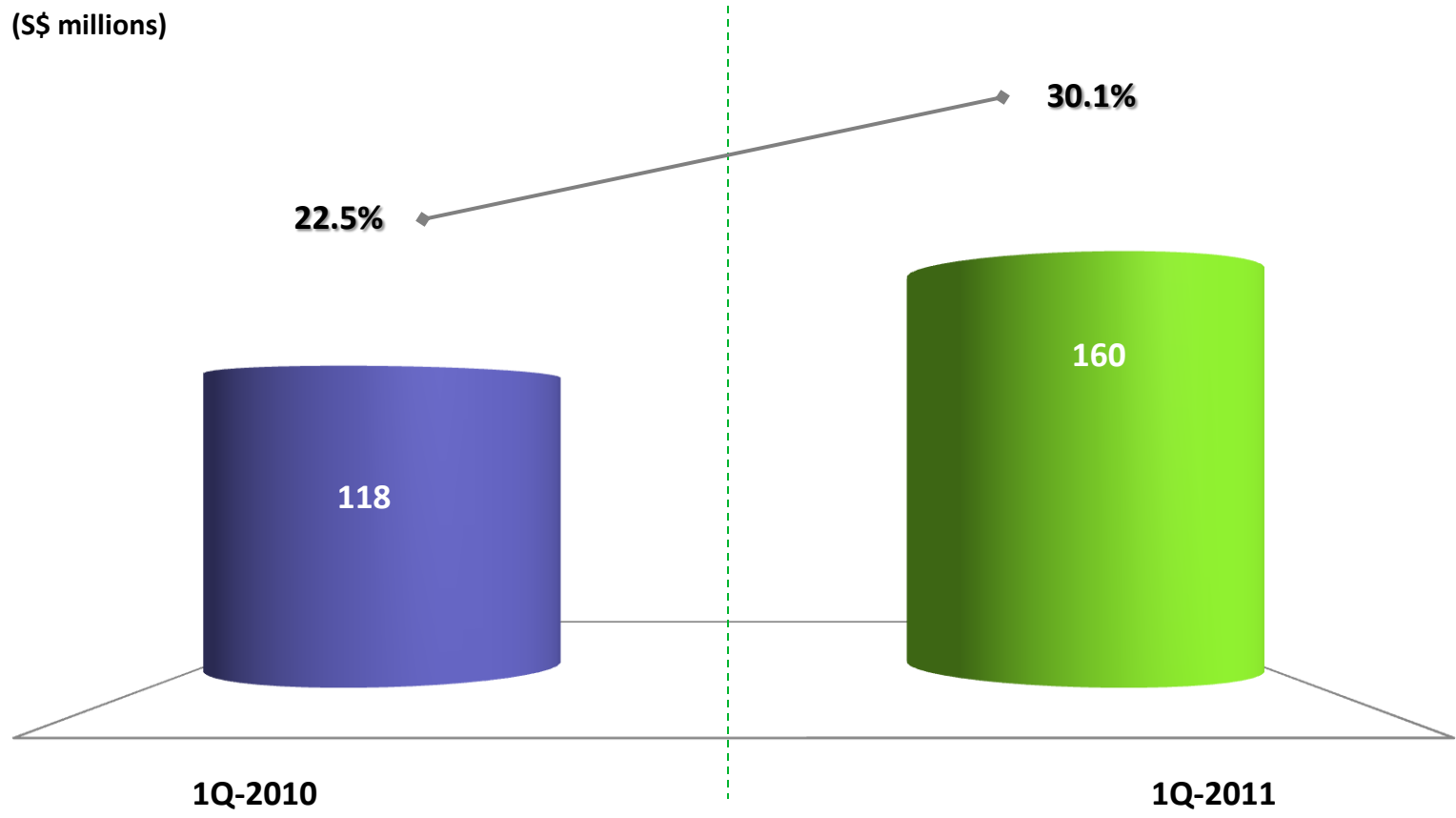
1Q2011 Highlights

Financial Overview

Business Highlights

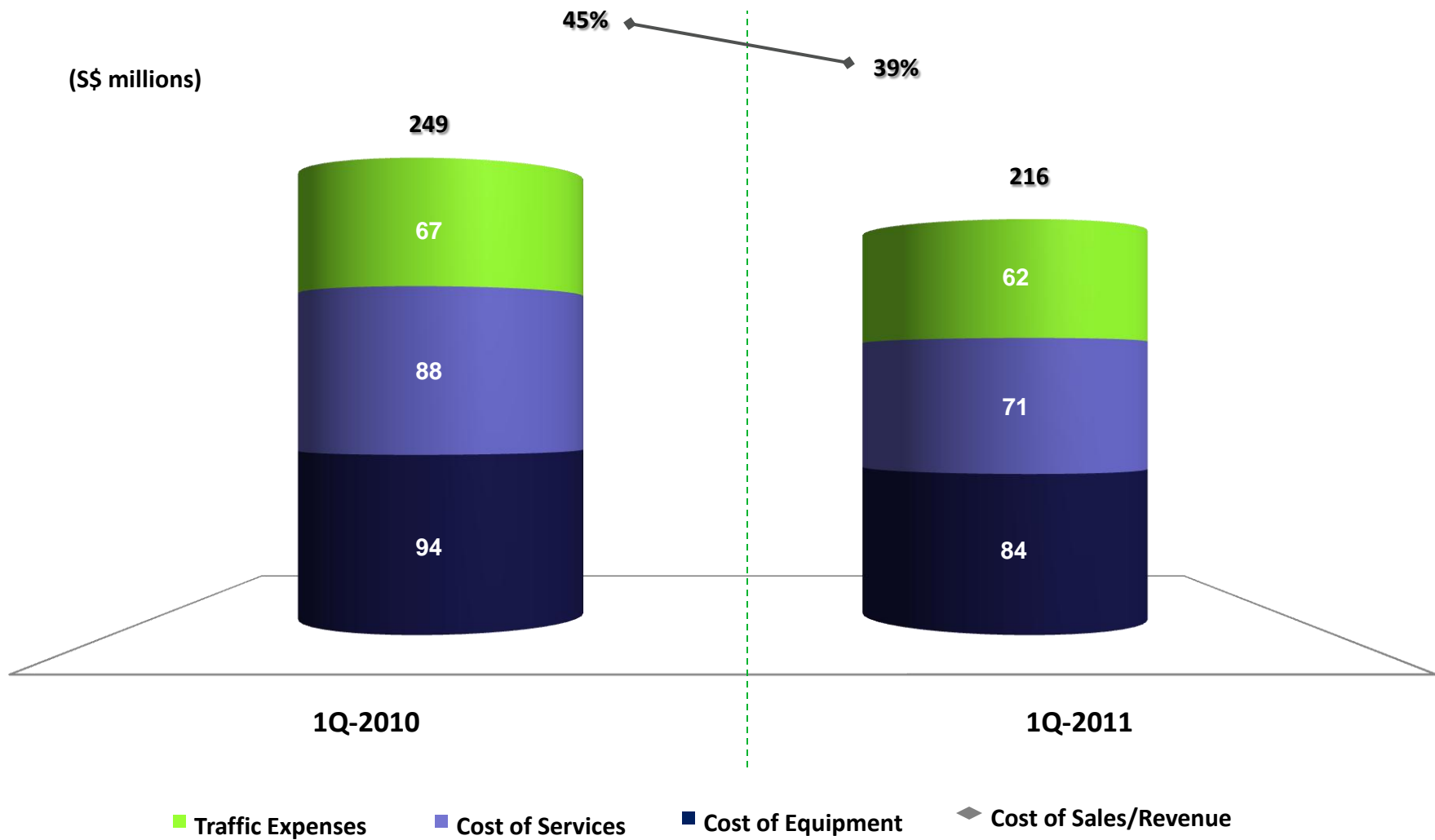
FY2011 Outlook

EBITDA & EBITDA Margin



◆ EBITDA Margin as % of Service Revenue

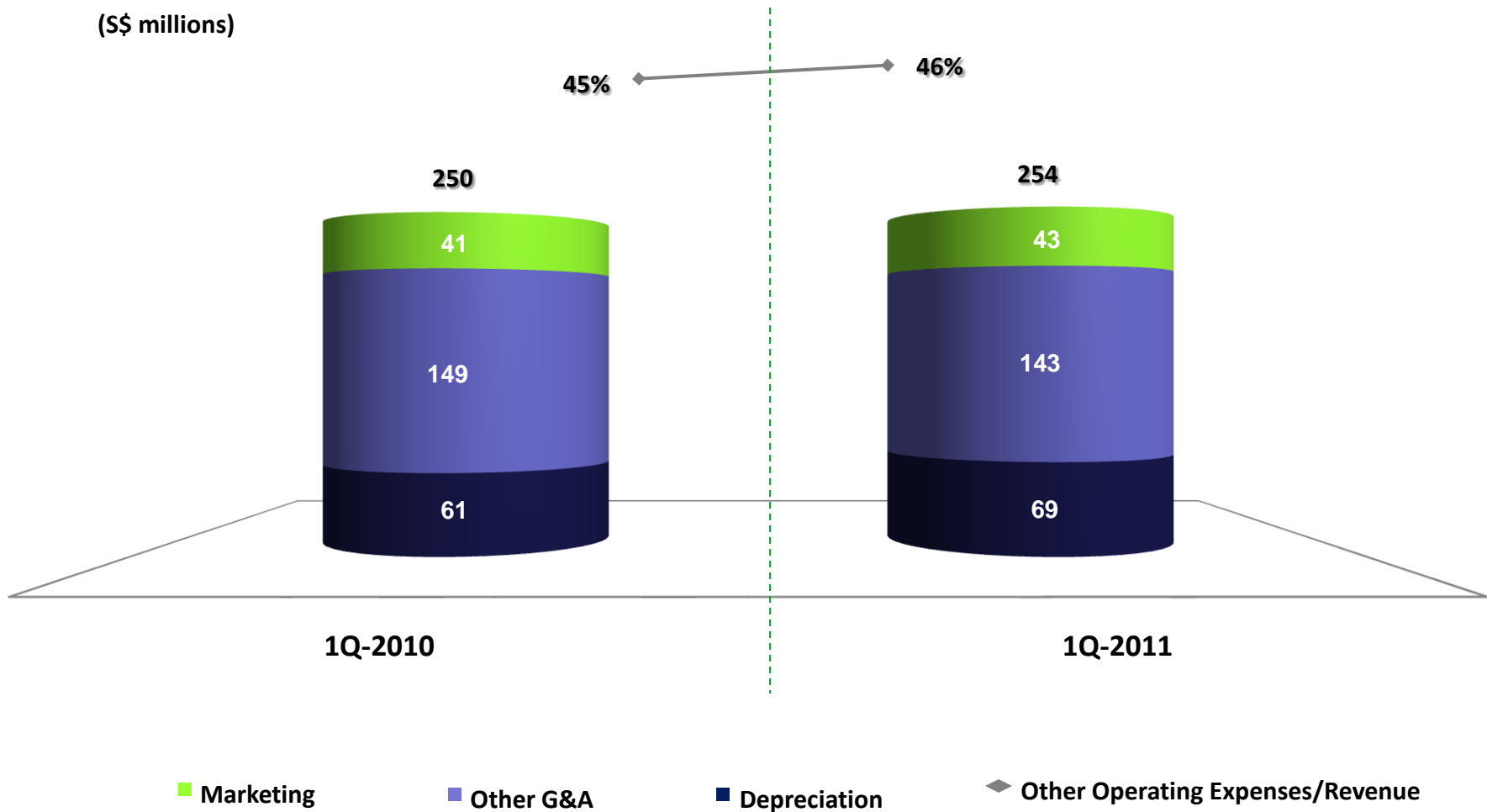
Cost Of Sales



Note: Numbers may not add up due to rounding.

Other Operating Expenses

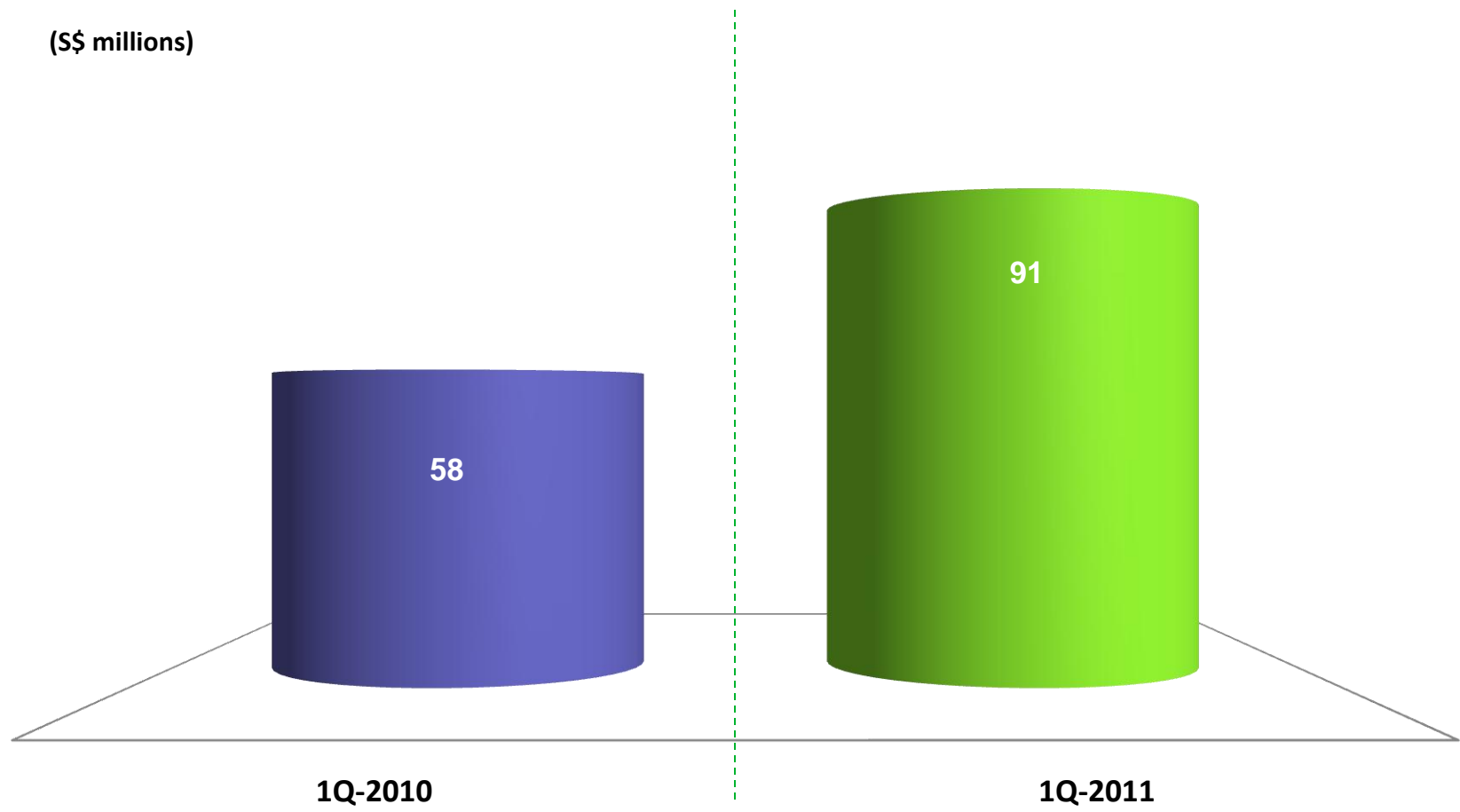
(\$ millions)



Note: Numbers may not add up due to rounding.

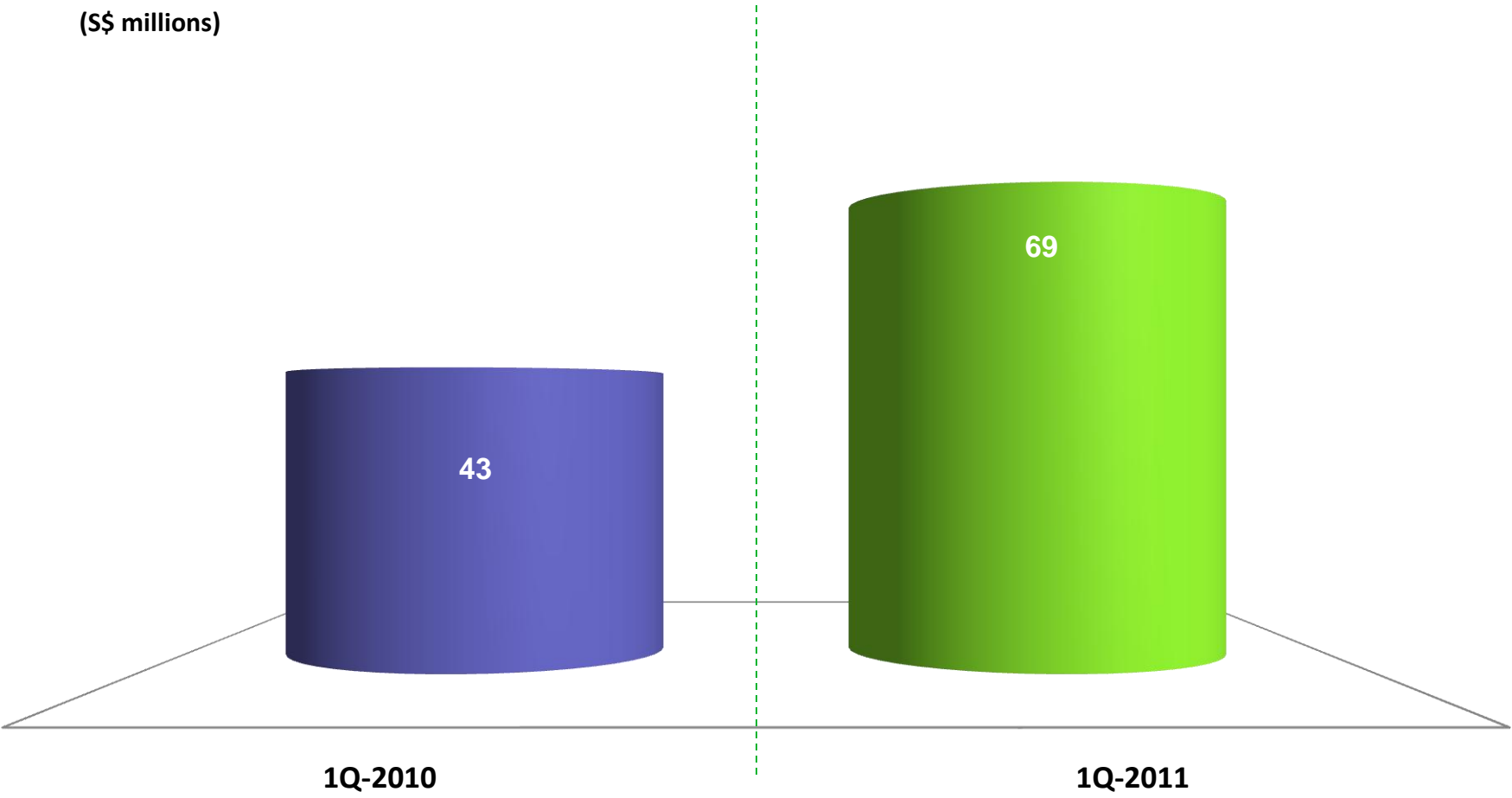
Profit From Operations

(S\$ millions)

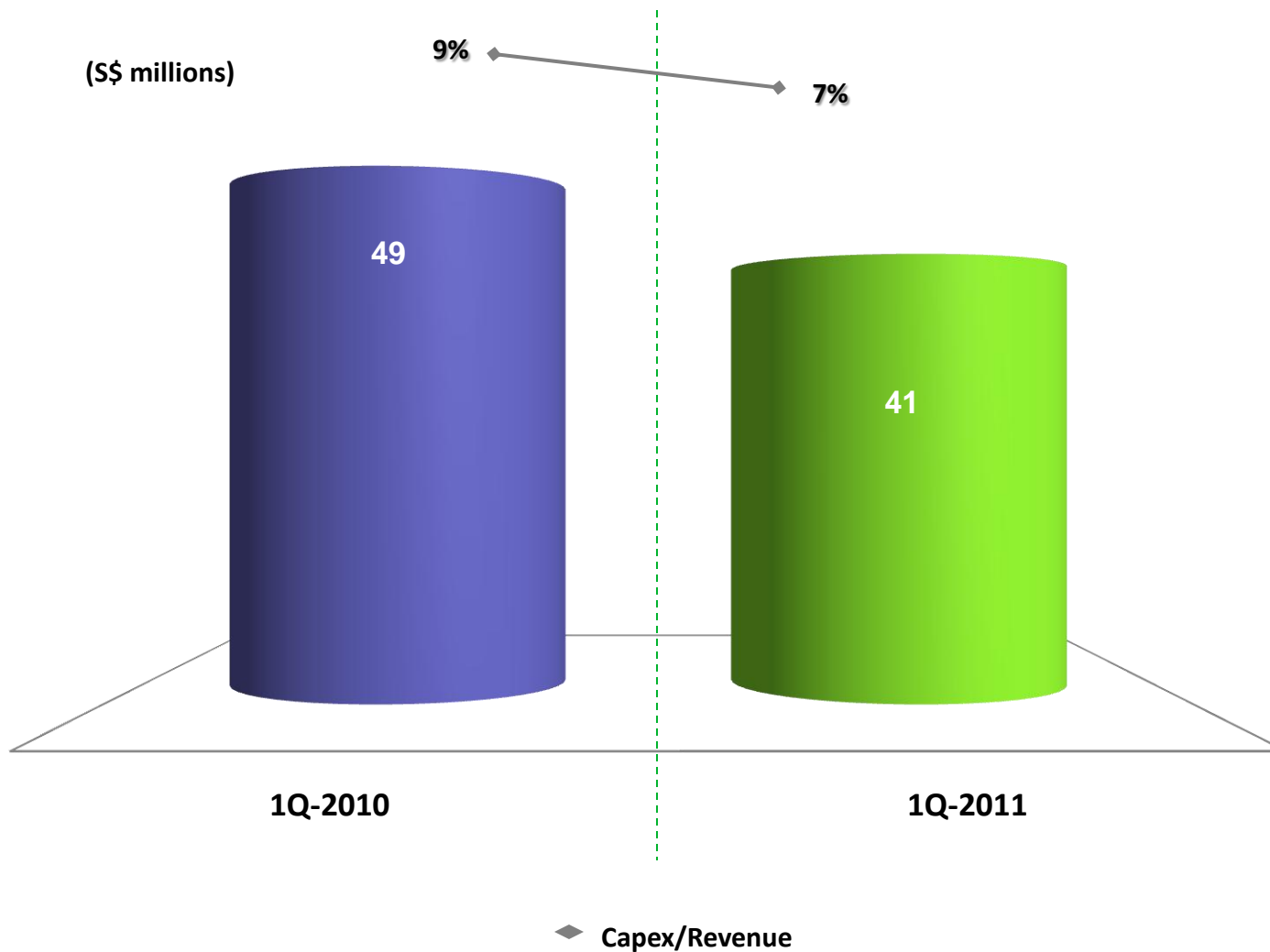


Net Profit After Tax

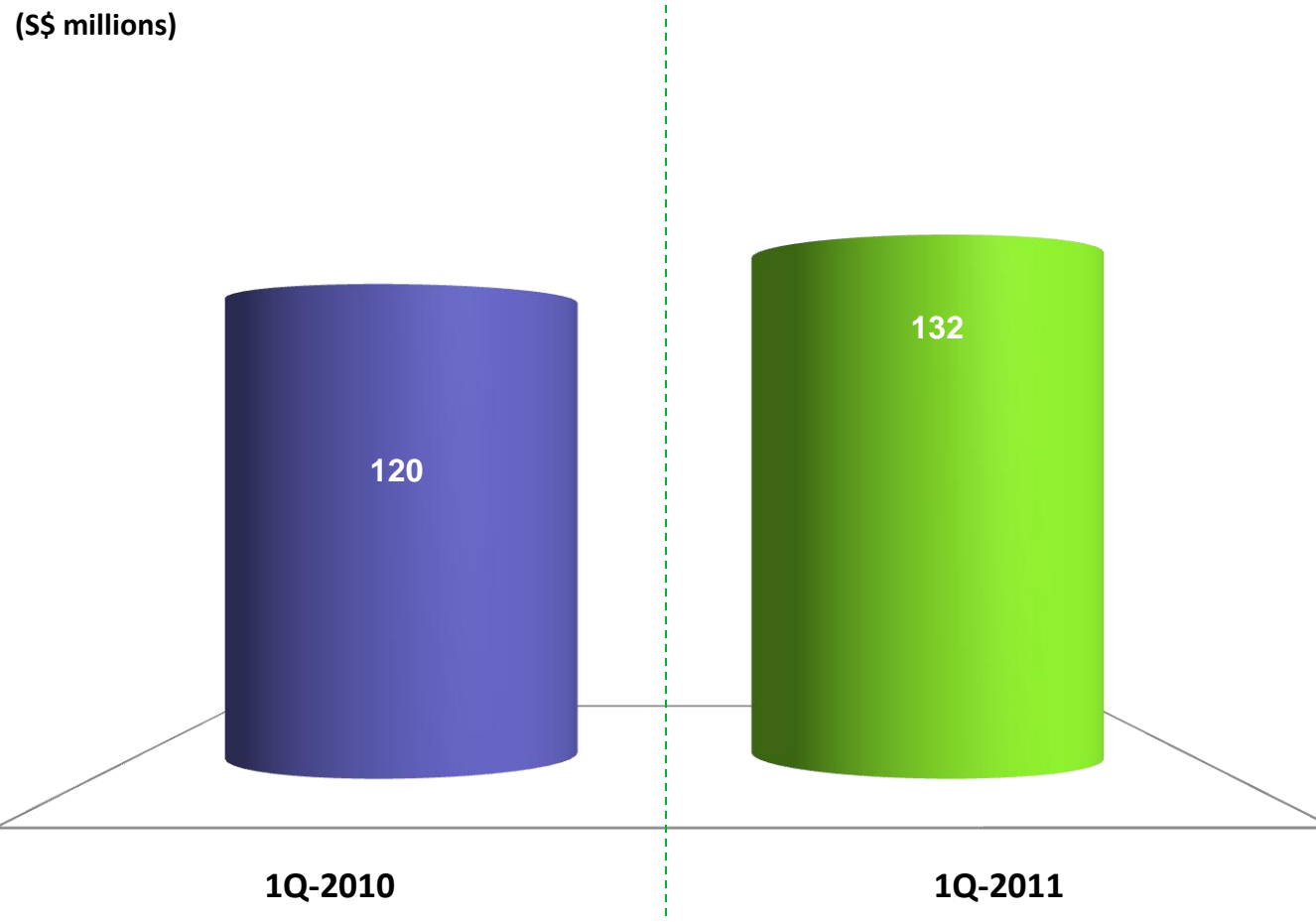
(S\$ millions)



Capex (cash payments)



Free Cash Flow





1Q2011 Highlights

Financial Overview

Business Highlights – Mobile

FY2011 Outlook

1Q2011 Highlights

Financial Overview

Business Highlights

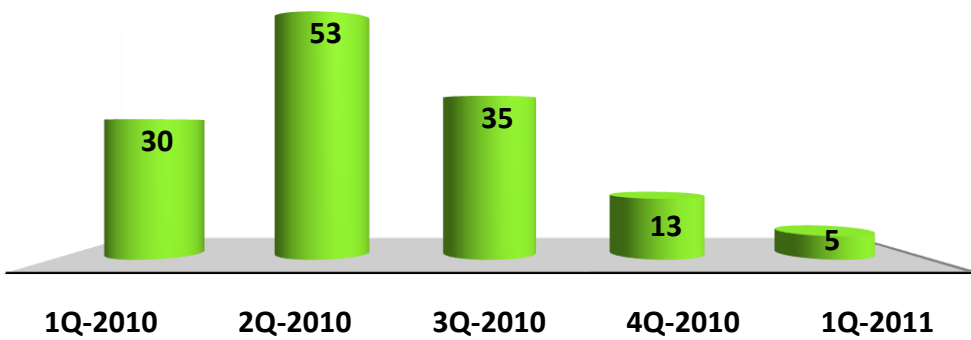
FY2011 Outlook

➤ Mobile (1Q-2011 vs 1Q-2010)

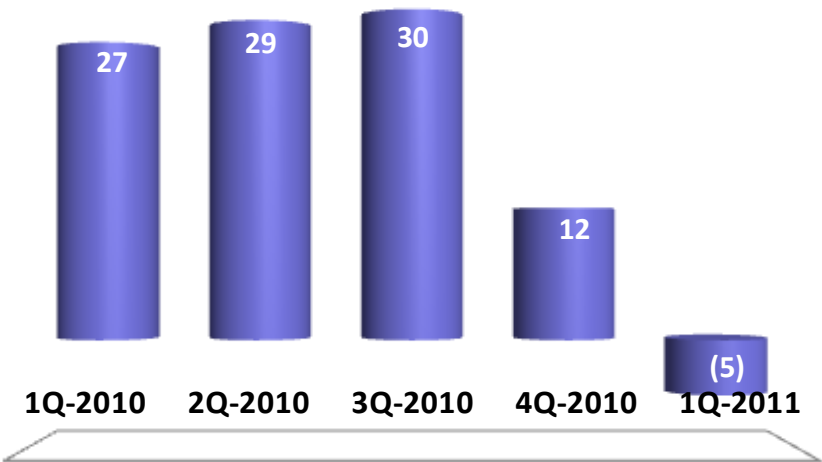
- **Added 170k customers**
- **Post-paid ARPU increased to \$72**
- **Non-voice services as % of post-paid ARPU at 36.8%**

Mobile Net Adds

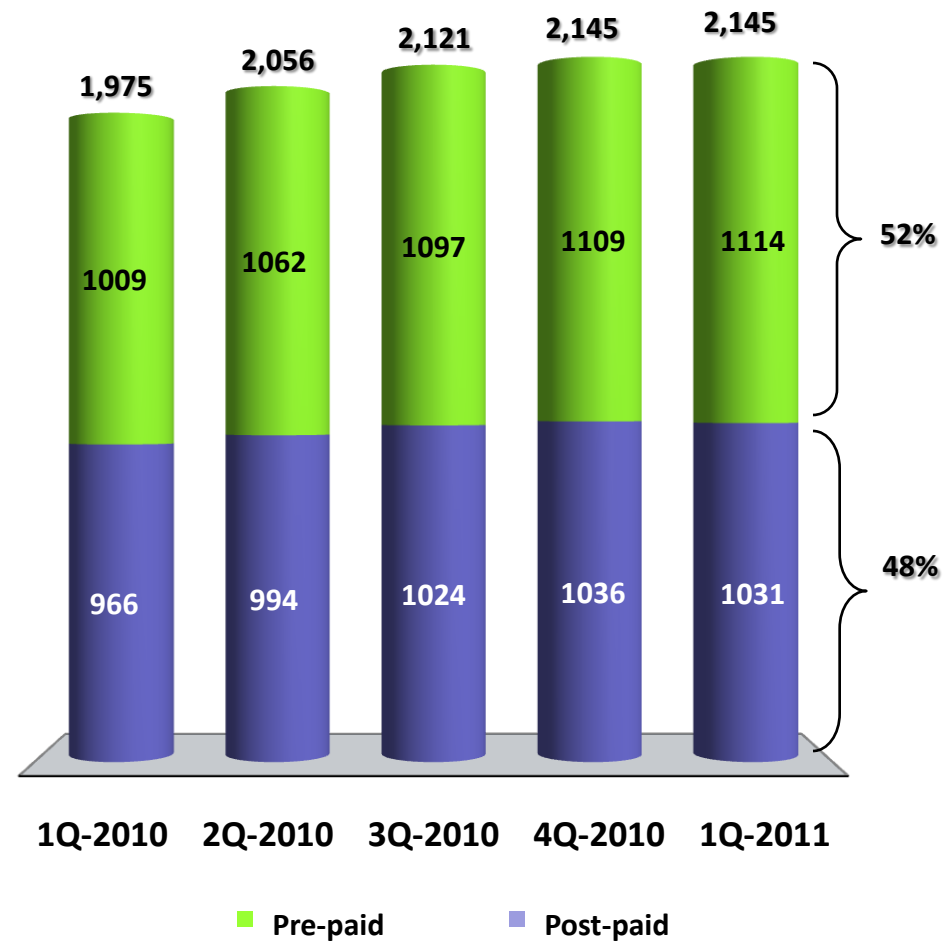
Pre-paid Net Adds ('000)



Post-paid Net Adds ('000)

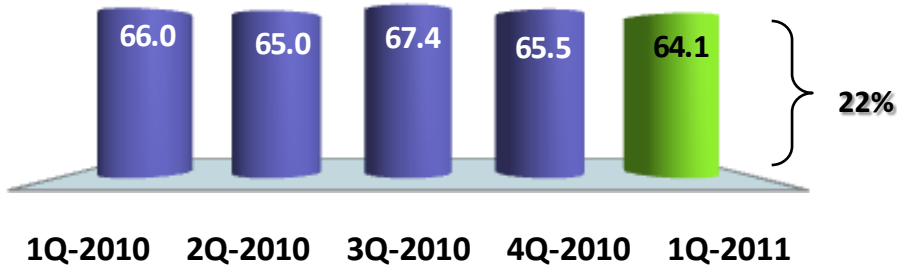


Customers ('000)

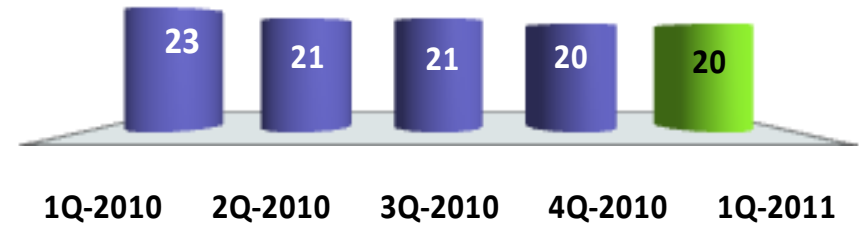


Mobile Revenue & ARPU

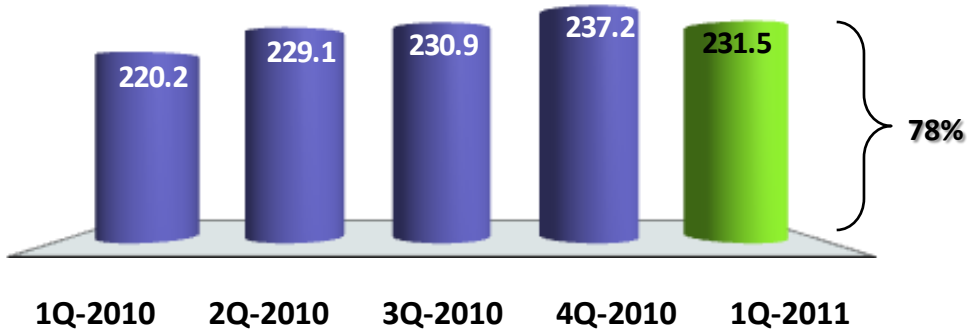
Pre-paid Revenue (S\$M)



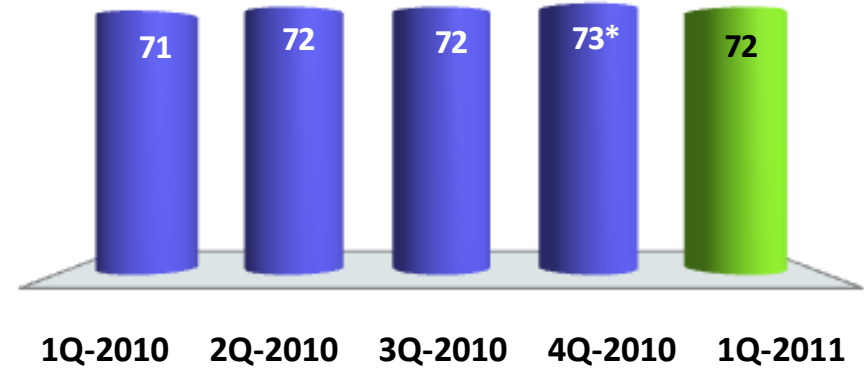
Pre-paid ARPU (S\$ per month)



Post-paid Revenue (S\$M)



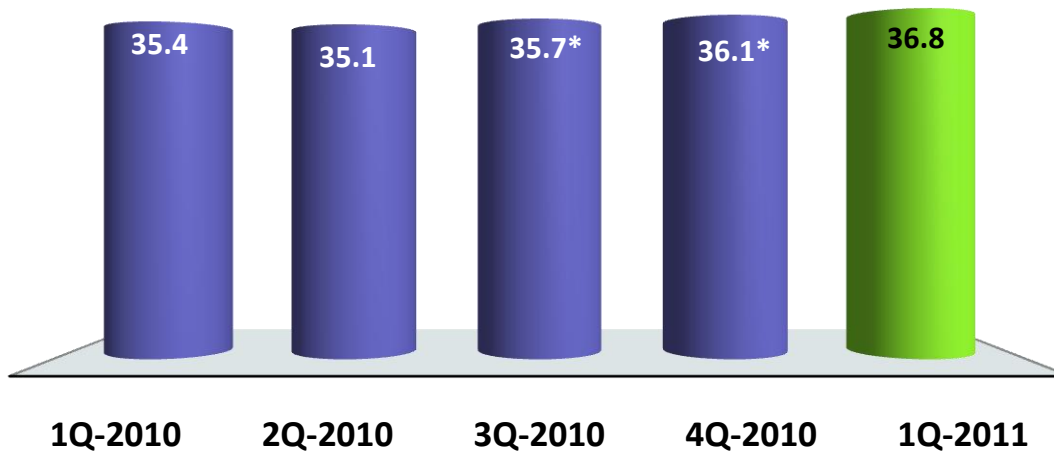
Post-paid ARPU (S\$ per month)



* Normalised.

Mobile Non-Voice Services

Post-paid non-voice services (% of ARPU)

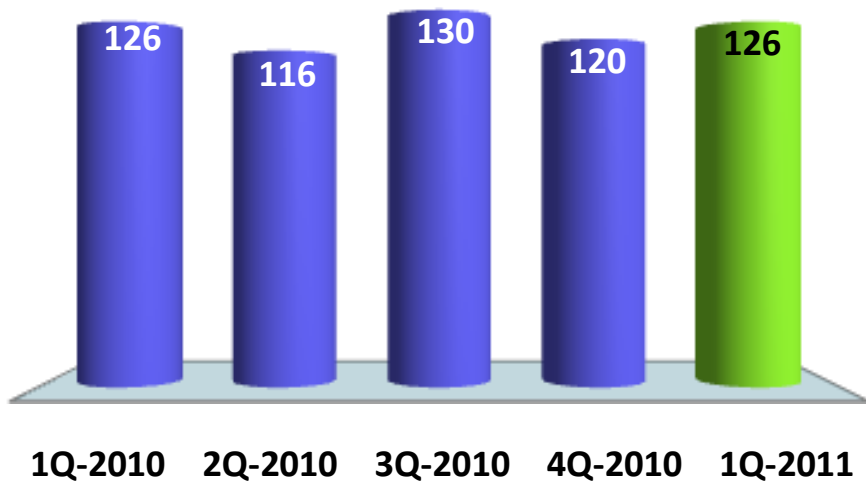


* Normalised.

Mobile Acquisition Costs & Churn Trend

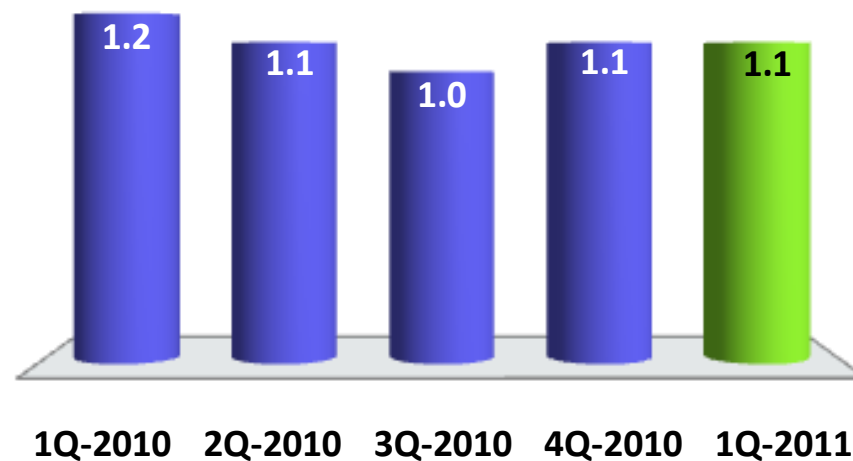
Average Acquisition Costs

Per Gross Connection (S\$)



Monthly Churn Rate (Post-paid)

(%)





1Q2011 Highlights

Financial Overview

Business Highlights – Pay TV

FY2011 Outlook

1Q2011 Highlights

Financial Overview

Business Highlights

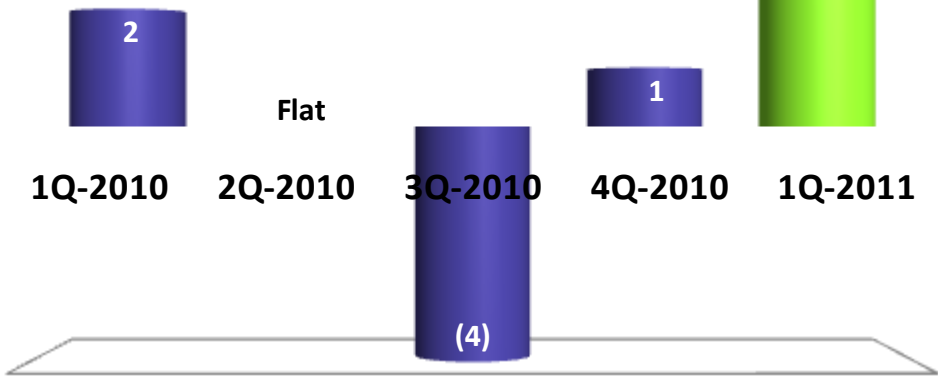
FY2011 Outlook

Pay TV (1Q-2011 vs 1Q-2010)

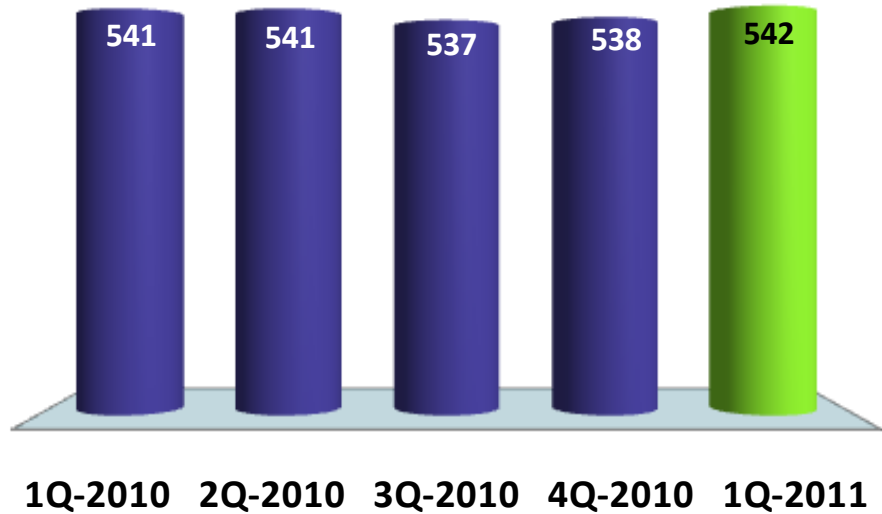
- **Added 2k customers**
- **ARPU decreased to \$49**
- **Revenue decreased 10%**

Pay TV Net Adds

Net Adds ('000)

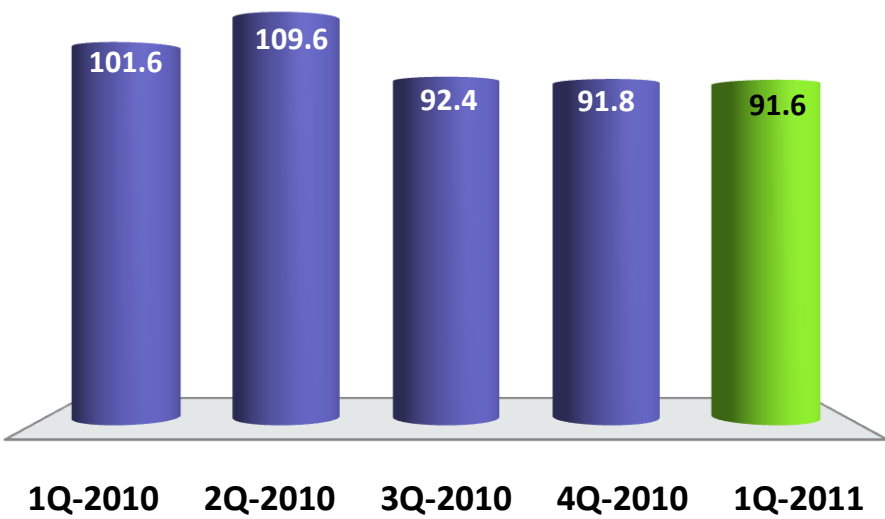


Customers ('000)

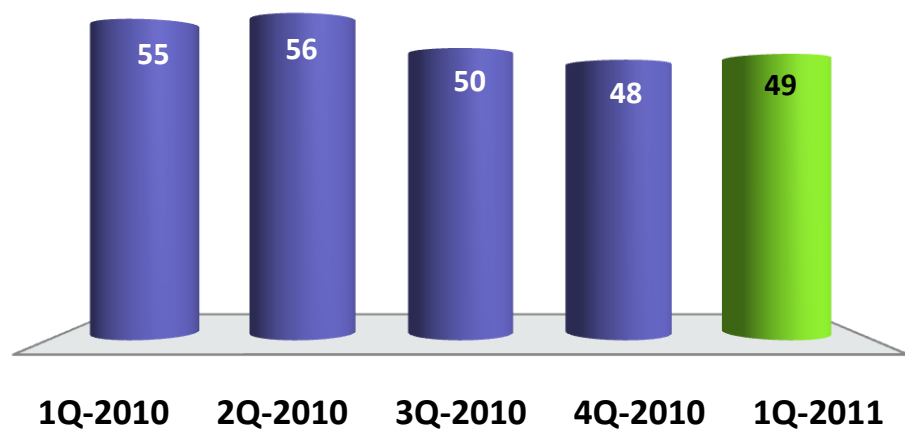


Pay TV Revenue & ARPU

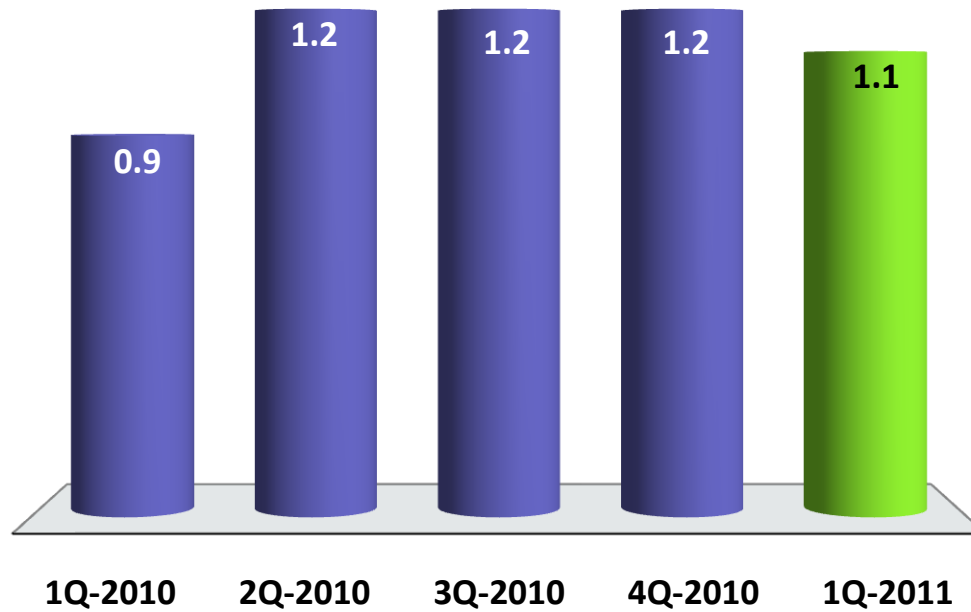
Pay TV Revenue (S\$M)



Pay TV ARPU (S\$ per month)



Average Monthly Churn Rate (%)





1Q2011 Highlights

Financial Overview

Business Highlights – Residential Broadband

FY2011 Outlook

1Q2011 Highlights

Financial Overview

Business Highlights

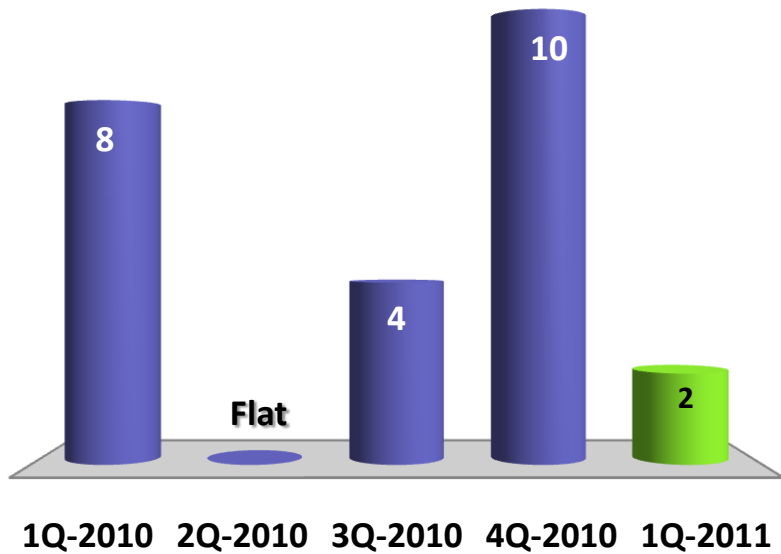
FY2011 Outlook

Broadband (1Q-2011 vs 1Q-2010)

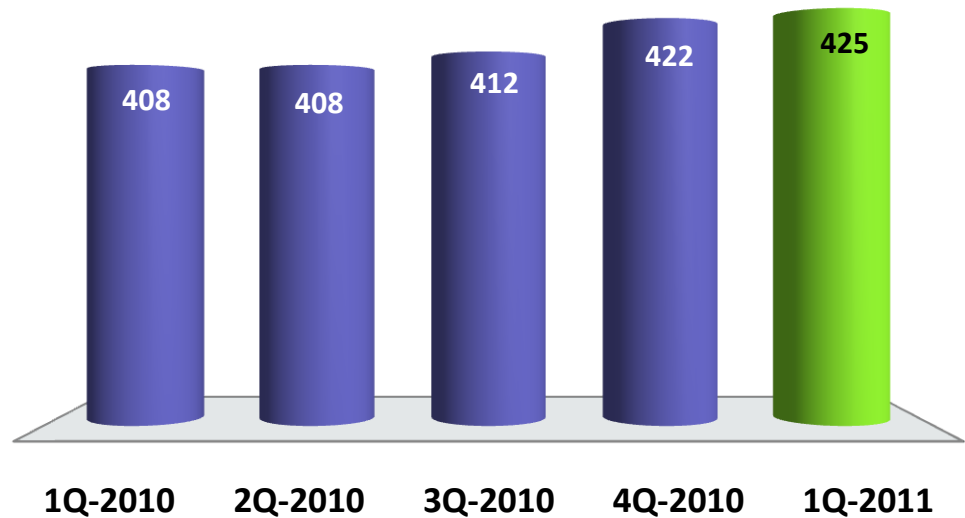
- **Added 17k customers**
- **ARPU decreased to \$45**
- **Revenue increased 1%**

Residential Broadband Net Adds

Net Adds ('000)



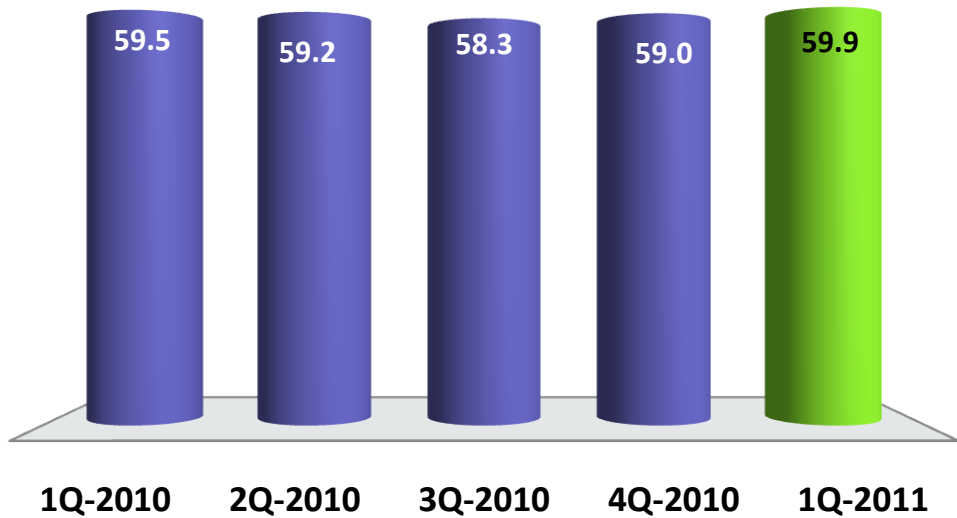
Customers ('000)



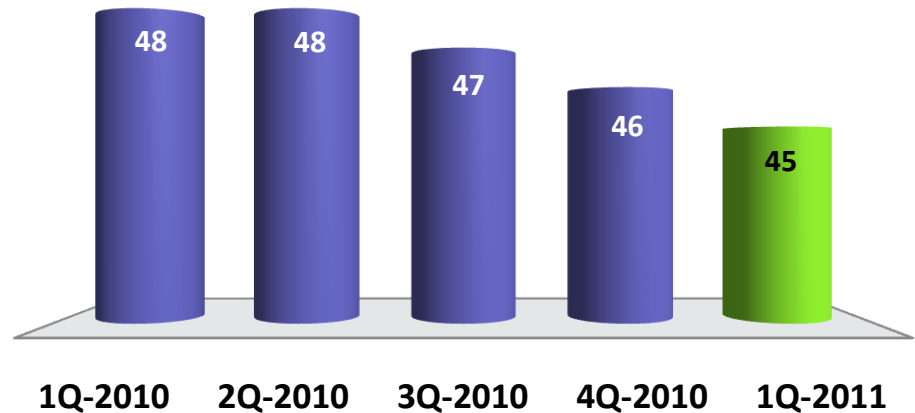
Note: Numbers may not add up due to rounding.

Residential Broadband Revenue & ARPU

Broadband Revenue (S\$M)

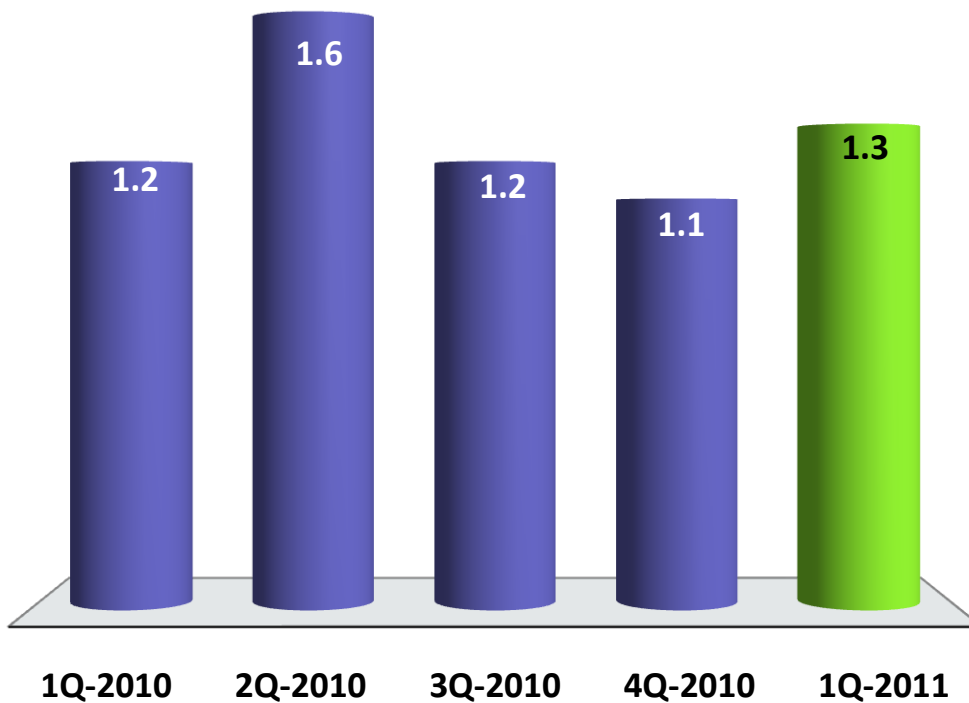


Broadband ARPU (S\$ per month)



Residential Broadband Churn

Average Monthly Churn Rate (%)





1Q2011 Highlights

Financial Overview

Business Highlights – Fixed Network Services

FY2011 Outlook

1Q2011 Highlights

Financial Overview

Business Highlights

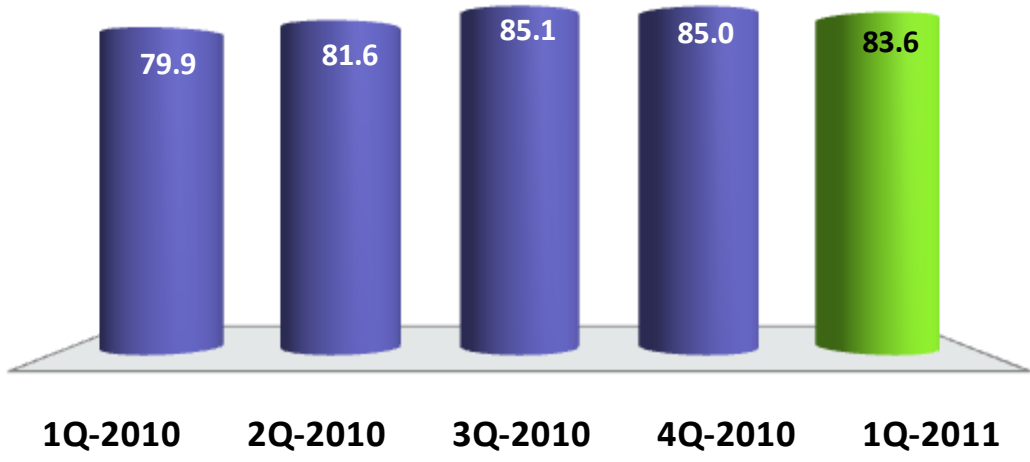
FY2011 Outlook

Fixed Network Services (1Q-2011 vs 1Q-2010)

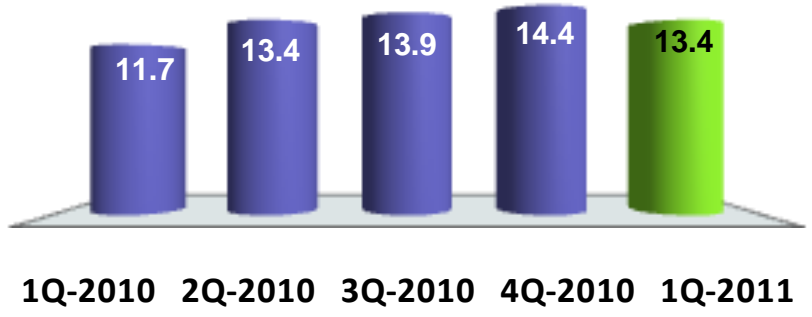
- Revenue increased 5%
- Stable contribution from Data & Internet services to revenue

Fixed Network Services

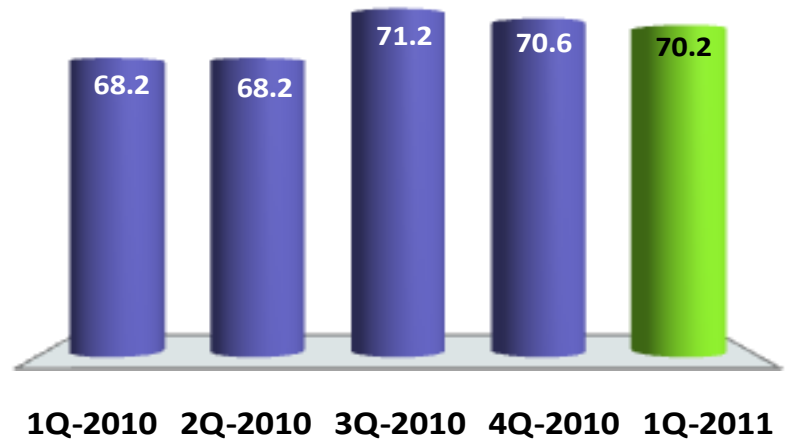
Fixed Network Revenue (S\$M)



Voice (S\$M)



Data & Internet (S\$M)





1Q2011 Highlights

Financial Overview

Business Highlights

FY2011 Outlook

1Q2011 Highlights

Financial Overview

Business Highlights

FY2011 Outlook

Revenue: Maintain revenue growth in the single-digit range

EBITDA: Maintain EBITDA margin on service revenue to be about 30%

CAPEX: Maintain cash capex not exceeding 13% of operating revenue

Dividend: Declare 1Q-2011 interim dividend of 5.0 cents per share
For FY2011, intend to maintain cash dividend of 5.0 cents per ordinary share per quarter



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